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PACIFIC  TELESIS
Group - Washington

DOCKET NO. 93-129 ORIGINAL

March 25, 1994

RECEIVED

MAR 25 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

William F. Caton
Acting Secretary
Federal Communications Commission
Mail Stop 1170
1919 M Street, N.W., Room 222
Washington, D.C. 20554

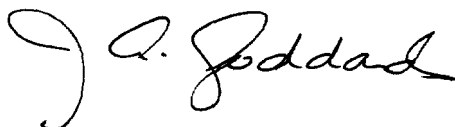
Dear Mr. Caton:

Re: CC Docket No. 93-129

On behalf of Pacific Bell and Nevada Bell, please find enclosed an original and six copies of its "*Motion to Accept Late-Filed Pleading and Supplement to Direct Case of Pacific Bell and Nevada Bell*" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,



Enclosures

No. of Copies rec'd 045
List A B C D E

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED
MAR 25 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

800 Data Base Access Tariffs and the)
800 Service Management System Tariff)

CC Docket No. 93-129

MOTION TO ACCEPT LATE-FILED PLEADING

Pacific Bell and Nevada Bell respectfully request that the attached Supplement To Direct Case of Pacific Bell and Nevada Bell be accepted for filing.

In its Order in CC Docket No. 93-129, released January 31, 1994, the Common Carrier Bureau required parties to either disclose the cost model used in calculation of their rates or submit revised cost support which did not utilize the cost model, by March 15, 1994.

To comply with the Order, on March 15, 1994, Pacific Bell submitted Transmittal No. 1693, and Nevada Bell submitted Transmittal No. 194, which contained revised cost support for vertical features of 800 Data Base Service.

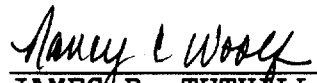
Subsequently, the Tariff Division informed us that the revised cost support should be filed in the form of a Supplement to our Direct Case, rather than a tariff transmittal. Accordingly, we are filing this motion to request acceptance of this Supplement To Direct Case. All of the information in this filing was previously filed with

the Commission on March 15, 1994. Therefore, no party has been prejudiced by the delay in filing this Supplement.

Wherefore, we respectfully request that the Commission accept for filing the attached Supplement To Direct Case.

Respectfully submitted,

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NEVADA BELL



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Their Attorneys

Date: March 25, 1994

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)

800 Data Base Access Tariffs and the)
800 Service Management System Tariff)

CC Docket No. 93-129

SUPPLEMENT TO DIRECT CASE
OF PACIFIC BELL AND NEVADA BELL

Pacific Bell and Nevada Bell hereby submit their alternative cost support data for Multiple Destination and Routing, and Six-Digit Master Number List (for Canadian and Caribbean numbers), associated with 800 Data Base Service. This filing is in compliance with the Bureau's Order in CC Docket No. 93-129, released January 31, 1994¹ requiring that the cost model be disclosed or that alternative cost support be filed by March 15, 1994.²

Pacific Bell and Nevada Bell have recalculated the vertical features costs without using CCSCIS, the cost

¹ Pacific Bell, and others, have filed an Application For Review of that order.

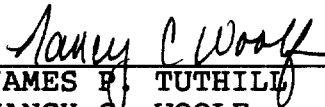
² On March 15, Pacific Bell filed Transmittal No. 1693, and Nevada Bell filed Transmittal No. 194, containing the alternative cost support mandated by the Order. Subsequently, the Tariff Division requested that the alternative cost support be filed in the form of this Supplement To Direct Case, rather than a tariff revision.

model.³ The Supplemental Description And Justification, attached hereto, demonstrates the cost basis of the Multiple Destination and Routing, and Six-Digit Master Number List rates.

The rate for basic 800 Data Base Service was not developed using CCSCIS, so no alternative cost support is required for that rate.

Respectfully submitted,

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Date: March 25, 1994

³ Pacific Bell is Nevada Bell's vendor for 800 Data Base service. Thus Nevada Bell's rates are based on Pacific Bell's rates.

PACIFIC BELL AND NEVADA BELL

MARCH 25, 1994

800 DATA BASE

SUPPLEMENTAL DESCRIPTION AND JUSTIFICATION

<u>SECTION</u>	<u>DESCRIPTION</u>
I	DESCRIPTION AND JUSTIFICATION
II	COST SUPPORT

SECTION I

DESCRIPTION AND JUSTIFICATION

I. INTRODUCTION AND DESCRIPTION

With this filing, Pacific Bell and Nevada Bell submit the supporting documentation to revise the cost methodology and recurring rates for the 800 Data Base Service optional feature Multiple Destination and Routing and the Six Digit Master Number List Turnaround customer identification function used for Canadian and Caribbean 800 numbers.

Originally, the unit costs for these features were developed using a proprietary cost model incorporating confidential vendor data. In compliance with Paragraph 14 of the January 31, 1994 Order of the Common Carrier Bureau, in CC Docket No. 93-129, Pacific Bell and Nevada Bell here submit a revised cost methodology, as described in Section II following, which calculates the investment for these services without the use of a proprietary cost model.

Because Pacific Bell is Nevada Bell's vendor for 800 Data Base, Nevada uses Pacific's tariffed rate, plus an overhead factor, to calculate its rate for these services.

SECTION II

COST SUPPORT

MULTIPLE DESTINATION AND ROUTING

The investments for the Multiple Destination and Routing (MDR) optional feature were determined by taking the total investments for 800 Data Base in 1992, as described in Transmittal No. 1632 Amended, and allocating a portion of these investments to the MDR feature (Workpaper 2).

The allocation factor was developed by first determining from company forecasts the percent of all 800 Data Base queries which require a Multiple Destination and Routing query in addition to the basic customer identification query. It is forecasted that the percent occurrence of MDR queries is .0015, or .15% of all interstate 800 Data Base queries.

Bellcore engineering studies have shown that the processing time factor for MDR is .05, or 5% longer than the processing time required for a basic customer identification query.

The factor to be applied to the total 800 Data Base investments and costs is, therefore, .000075 ($.0015 \times .05$). The application of this factor results in the proper allocation of 800 Data Base investments and costs to the MDR optional feature.

The capital costs are developed by using company-developed factors used in previous filings for Repair and Maintenance and Administration, and FCC-prescribed factors for RIT and Depreciation (Workpapers 3.1 and 3.2).

The unit cost is determined by dividing the total costs by the forecasted five year average demand. This unit cost is also the unit price that will be charged for each query.

The price is \$.000463 for Pacific, and after adding Nevada's overhead factor of \$.2707, Nevada's rate is \$.000588.

SIX - DIGIT MASTER NUMBER LIST TRANSLATION

The Six-digit Master Number List Translation is the 800 customer identification function for Canadian or Caribbean terminations.

This translation takes 6/10 of the processing time required for a ten-digit, or basic 800 portability customer identification query. The six-digit query costs are, therefore, 6/10 of the basic 800 ten-digit query costs, which were developed without the use of a proprietary model, as described in Transmittal No. 1632 Amended.

The price for the Six-Digit Master Number List query is also 6/10 of the price for the 800 basic customer identification query, after it was adjusted for General Support Facilities (GSF), as shown in Workpaper 4.

The price is \$.002874 for Pacific, and after adding Nevada's overhead factor of \$.2707, Nevada's price is \$.003652.

**800 DATA BASE MULTIPLE DESTINATION AND ROUTING
TOTAL COSTS**

	A	B	C	D
	TOTAL INTERSTATE <u>INVESTMENT</u> (INCL. LD. & BLDG.) a	TOTAL INTERSTATE <u>CAPITAL COSTS</u> b	TOTAL INTERSTATE <u>EXPENSES</u>	TOTAL EXOGENOUS <u>COSTS</u> a/o 12/31/92 (Col. B+C)
SCP UPGRADES	315	90	65	155
800 TANDEM UPGRADES	602	171	87	258
800 SSP UPGRADES			61	61
SMS COSTS			80	80
	-----	-----	-----	-----
TOTAL	917	261	293	554
FORECASTED 5-YR AVG. DEMAND	1,196,000			
RATE (Col. D/Demand)	0.000463			

a. Workpaper 2

b. Workpaper 3

800 DATA BASE MULTIPLE DESTINATION & ROUTING INVESTMENT

	A	B	C	D	E	F
	TOTAL INVEST. INTERSTATE		VS VERT FEAT.	MISC. TAXES	POWER & COMMON	TOTAL W/LOADINGS
	(Col. A * 0.49)		(Col. B * .000075)	(Col. C * 0.00956)	(Col. C * 0.084392)	(C+D+E)
SCP	6,931,500	3,396,435	255	2	21	279
TANDEM	13,235,274	6,485,284	486	5	41	532
			G	H	I	
			BLDG	LAND	TOTAL	
			(Col. C * 0.1331)	(Col. C * 0.0114)	INVESTMENT	
					(Cols. F+G+H)	
SCP			34	3	315	
TANDEM			65	6	602	

WORKPAPER 3

COST SUMMARY, 800 MULTIPLE DESTINATION & ROUTING

<u>Investment</u>	919	Wk. 3.1 Ln. 9 +Wk.3.2 Ln. 9
<u>Annual Cost</u>		
Cost of Money	79	Wk. 3.1 Ln.10 +Wk.3.2 Ln.10
State & Fed Taxes	31	Wk. 3.1 Ln.11 +Wk.3.2 Ln.11
Depreciation	69	Wk. 3.1 Ln.12 +Wk.3.2 Ln.12
Repair and Maintenance	25	Wk. 3.1 Ln.13 +Wk.3.2 Ln.13
Subtotal of Expenses	203	Wk. 3.1 Ln.14 +Wk.3.2 Ln.14
Administration	57	Wk. 3.1 Ln.15 +Wk.3.2 Ln.15
TOTAL DIRECT COST	261	Wk. 3.1 Ln.16 +Wk.3.2 Ln.16

WORKPAPER 3.1

800 - MULTIPLE DESTINATION & ROUTING - DIRECT COSTS

	A	
Account Number	221210	
Account Description	SWITCH	
Cost Factors		
1 Net Plant	1.0000	
2 FCC RIT	0.1237	
3 St/Fed Tax as a % of RIT	0.2835	
4 Cost of Money	0.0886	Ln 1 * Ln 2 * (1 - Ln 3)
5 State & Fed Taxes	0.0351	Ln 1 * Ln 2 * Ln 3
6 Depreciation	0.0810	Company Study
7 Repair and Maintenance	0.0288	Company Study
8 Administrative Expense Factor (applied to all other expenses)	0.2814	Company Study
9 Gross Investment	811	1992 Actuals
Annual Cost		
10 Cost of Money	72	Ln 4 * Ln 9
11 State & Fed Taxes	28	Ln 5 * Ln 9
12 Depreciation	66	Ln 6 * Ln 9
13 Repair and Maintenance	23	Ln 7 * Ln 9
14 Subtotal of Expenses	189	Sum (Ln 10...Ln 13)
15 Administration	53	Ln 14* Ln 8
16 TOTAL DIRECT COSTS	243	Ln 14 + Ln 15

WORKPAPER 3.2

800 - MULTIPLE DESTINATION ROUTING - DIRECT COSTS

	A	B	C	
Account Number	211100	212100		
Account Description	LAND	BUILDING	TOTAL	
Cost Factors				
1 Net Plant	1.0000	1.0000		
2 FCC RIT	0.1614	0.0806		
3 St/Fed Tax as a % of RIT	0.2835	0.2835		
4 Cost of Money	0.1156	0.0577		Ln 1 * Ln 2 * (1 - Ln 3)
5 State & Fed Taxes	0.0458	0.0229		Ln 1 * Ln 2 * Ln 3
6 Depreciation	0.0000	0.0290		Company Study
7 Repair and Maintenance	0.0113	0.0167		Company Study
8 Administrative Expense Factor (applied to all other expenses)	0.2814	0.2814		Company Study
9 Gross Investment	9	99	108	1993 Investment Study
Annual Cost				
10 Cost of Money	1.04	5.72	6.76	Ln 4 * Ln 9
11 State & Fed Taxes	0.41	2.26	2.67	Ln 5 * Ln 9
12 Depreciation	0.00	2.87	2.87	Ln 6 * Ln 9
13 Repair and Maintenance	0.10	1.65	1.76	Ln 7 * Ln 9
14 Subtotal of Expenses	1.55	12.50	14.06	Sum (Ln 10...Ln 13)
15 Administration	0.44	3.52	3.96	Ln 14 * Ln 8

WORKPAPER 4

800 DATA BASE SIX DIGIT TRANSLATION

TEN DIGIT BASIC QUERY PRICE: \$0.004790 a

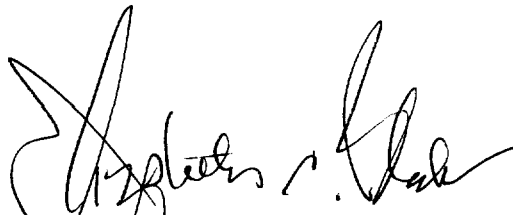
0.60

SIX DIGIT QUERY PRICE \$0.002874 b

- a. Price determined by Tops Down Methodology adjusted for General Support Facilities(GSF)
Tr. Letter 1632 - Amended
- b. Six Digit Translation requires 6/10 of the processing time of the Basic Query

CERTIFICATE OF SERVICE

I, Elizabeth Blak, hereby certify that copies of the foregoing **"SUPPLEMENT TO DIRECT CASE OF PACIFIC BELL AND NEVADA BELL"** in connection with CC Docket No. 93-129 were served by hand or by First-class United States mail, postage prepaid, upon the parties appearing on the attached service list this 25th day of March, 1994.



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